



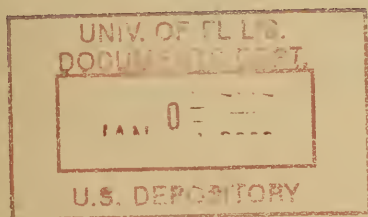
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

DRAPERY AND UPHOLSTERY
TRIMMING INDUSTRY

AS APPROVED ON JANUARY 16, 1934



UNITED STATES
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Approved Code No. 212

CODE OF FAIR COMPETITION

FOR THE

**DRAPERY AND UPHOLSTERY TRIMMING
INDUSTRY**

As Approved on January 16, 1934

ORDER

APPROVING CODE OF FAIR COMPETITION

FOR THE

**DRAPERY AND UPHOLSTERY TRIMMING
INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Drapery and Upholstery Trimming Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. D. WHITESIDE,
Division Administrator.
WASHINGTON, D.C.,
January 16, 1934.

THE PRESIDENT,
The White House.

SIR: This is a report on the hearing on the Code of Fair Competition for the Drapery and Upholstery Trimming Industry, held in the Fairfax Room of the New Willard Hotel, on November 10, 1933. The Code which is attached was presented by duly qualified and authorized representatives of the Industry, complying with statutory requirements said to represent over 70% by volume of production and 14 out of 50 concerns in the Industry.

In accordance with customary procedure every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

THE INDUSTRY

The Industry comprises 50 concerns having an investment in 1933 of \$4,000,000. In 1929 the industry provided employment for 5,000 full-time workers. This figure has declined to 2,500 employees in 1933. The aggregate annual sales have fallen from \$20,000,000 in 1928 to \$7,000,000 in 1932.

PROVISIONS OF THE CODE

The Code provides for a minimum wage of \$13.00 per week. Hours are limited to 40 hours for any one week and 8 hours in any 24-hour period with the following exceptions: Watchmen are permitted to work 56 hours per week; employees in a supervisory capacity receiving \$35.00 per week or more, and outside salesmen are not limited as to hours; employees on emergency repair work are excepted but are to be paid time and one third for hours worked in excess of 40 hours per week; office employees are permitted to work 48 hours in any one week provided they do not work more than 40 hours per week averaged over a period of three months; maintenance employees are permitted to work 44 hours per week. Hours of work have been reduced by 15%, and employment is thereby increased in the same proportion.

Operations are limited to two shifts of 40 hours each per week. All homework is abolished within one month after the effective date.

Existing differentials between wage rates above the minimum are maintained and no employee is to receive less compensation for the 40-hour week than was received for the longer work week prevailing prior to the approval of this Code. Average weekly earnings will be increased approximately 7% by the application of this Code.

Representation on the Code Authority is provided for all members of the Industry. There are no highly restrictive provisions in the

Code itself. Provision is made for prohibiting sale of merchandise below cost when and if a uniform system of cost accounting recommended by the Code Authority is approved by the Administrator.

There was some question as to whether or not this Industry is entitled to operate under a separate code, since a large part of the products of the Industry are manufactured on weaving and braiding machines. These operations are included within the definition of the Code for the Narrow Fabrics Industry. At the request of the members of the Industry submitting this Code it was decided to permit them to operate under this separate code with respect to operations performed on weaving and braiding machines until such time as the Narrow Fabrics Code is approved by the President. The Code will continue in effect for a period of only six months, but this time may be further extended or shortened upon application of the Code Authority approved by the Administrator.

FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervisions, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is an industrial association truly representative of the aforesaid Industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, this Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

WASHINGTON, D.C.,
January 16, 1934.

CODE OF FAIR COMPETITION
FOR THE
DRAPERY AND UPHOLSTERY TRIMMING
INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Drapery and Upholstery Trimming Industry, and shall be the standard of Fair Competition for such Industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

1. The term "Industry" as used herein includes the manufacture and original sale of trimmings for draperies, furniture, curtains, caskets, window and lamp shades, rug fringe, awning fringe, silk cords, tassels, bath robe girdles, gimps, and passementerie trimmings all of a decorative nature and curtains manufactured on knitting machines.

2. The term "member of the Industry" includes anyone engaged in the Industry as above defined, either as an employer or on his own behalf, and includes anyone who furnishes or contracts for labor as a part of a larger or further operation in the process of manufacturing the products of the Industry.

3. The term "employee" as used herein includes anyone engaged in the Industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation.

4. The term "employer" as used herein includes anyone by whom any such employee is compensated or employed.

5. The term "productive machinery" as used herein includes all machines and hand work equipment used in the manufacturing processes of the Industry.

6. The terms "President", "Act", and "Administrator" as used herein shall mean, respectively, the President of the United States, the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

ARTICLE III—HOURS

1. No office employee shall work or be permitted to work in excess of forty (40) hours per week, averaged over a period of three (3)

months or forty-eight (48) hours in any one (1) week, or eight (8) hours in any twenty-four (24) hour period.

2. No other employee shall work or be permitted to work in excess of forty (40) hours in any one (1) week or eight (8) hours in any twenty-four (24) hour period, excepting that:

(a) Repair shop crews, engineers, electricians, and firemen shall be permitted to work 10% in excess of the hours specified above.

(b) Executives and employees in a managerial or supervisory capacity, who receive \$35.00 or more per week, and outside salesmen are excepted from the maximum hour provisions of this Article.

(c) Watchmen are permitted to work not more than 56 hours per week.

3. The maximum hours fixed in the foregoing Section shall not apply to any employee on emergency maintenance or emergency repair work involving breakdowns or protection of life or property, but in any such special case at least one and one third ($1\frac{1}{3}$) times his normal rate shall be paid for hours worked in excess of the maximum hours therein provided.

At the end of each calendar month every employer shall report to the Code Authority hereinafter provided for, in such detail as may be required, the number of man-hours worked in that month in cases of emergency and the ratio which said emergency man-hours bear to the total number of man-hours of labor during the month.

4. Members of the Industry shall not operate productive machinery for more than two shifts of forty (40) hours each per week.

5. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

ARTICLE IV—WAGES

1. The minimum wage that shall be paid by members of the Industry to any employee shall be at the rate of $32\frac{1}{2}$ cents per hour.

2. This Article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time-rate, piecework, or other basis.

3. The weekly compensation for employment now in excess of the minimum wages herein provided shall not be reduced (notwithstanding that the hours worked in such employment may be hereby reduced). Wage differentials existing prior to June 16, 1933, shall be maintained for all employees receiving \$35 per week or less.

4. Female employees performing substantially the same work as male employees shall receive the same rates of pay as male employees.

ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in this Industry. In any State, any employer shall be deemed to have complied with this provision, if he shall have on file a certificate or permit duly issued by the Authority in such State empowered to issue employment or age certificates or permits, showing that the employee is of the required age.

2. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

3. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

4. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

5. No provision in this Code shall supersede any State or Federal law imposing more stringent requirements on employers, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions than under this Code.

6. Employers shall not reclassify employees or duties of occupations performed by employees or use any other subterfuge so as to defeat the purposes of the Act.

7. Each employer shall post in conspicuous places full copies of this Code.

8. Home work of any kind shall be permitted only for a period of one month after the effective date of this Code.

9. Until adoption of further provisions of this Code that may prove necessary in order to prevent any improper speeding up of the work (stretch-outs) no manufacturing employee in the Industry shall be required to do any work in excess of the practice as to the class of work of such employee prevailing on July 1, 1933, or prior to the Share-The-Work movement unless such increase is submitted to and approved by the Code Authority created by this Code, and by the Administrator.

ARTICLE VI—ADMINISTRATION

1. To further effectuate the policies of the Act, a Code Authority is hereby constituted to cooperate with the Administrator in the administration of this Code.

(a) The Code Authority shall consist of 9 individuals or such other number as may be approved from time to time by the Administrator, to be selected as hereinafter set forth. The Administrator, in his discretion, may appoint not more than three (3) additional members without vote to represent the Administrator or such groups or interests as he may determine.

(b) Five members of the Code Authority shall be selected by the Board of Directors of the Allied Drapery and Upholstery Trimming Association, and 4 members may be selected by members of the Industry, not members of this Association, by a fair method, approved by the Administrator.

(c) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) Impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, bylaws, regulations, and any amendments when made thereto,

together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

(d) In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper, and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

2. The Code Authority shall have the following duties and powers to the extent permitted by this Act. The Administrator shall have the right to review and veto any action taken by the Code Authority.

(a) The Code Authority may from time to time present to the Administrator recommendations based on conditions in this Industry, as they may develop, which will tend to effectuate the operation of the provisions of this Code. Such recommendations, when approved by the Administrator, shall have the same force and effect as any provisions of this Code.

(b) The Code Authority shall cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person, and report the same to the Administrator.

(c) Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expense of its administration. The reasonable share of the expenses of the administration shall be determined by the Code Authority, subject to approval by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable to be taken into consideration.

(d) Members of the Industry shall file with the Code Authority, at such times and in such manner as may be prescribed, statistics covering number of employees, wage rates, employee earnings, hours of work, production, shipments, stocks, prices, and such other data pertinent to the effectuation of the purposes of this Code as may be required by the Administrator.

3. In addition to the information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act.

ARTICLE VII—TRADE PRACTICES

1. No member of the Industry shall sell or exchange any product of the Industry below his own cost when and if same may be determined as herein provided, except to meet the competition of any member of the Industry whose price is not less than his own cost. When a uniform and standard system of cost accounting, prescribed by the Code Authority, shall be approved by the Administrator, every member of the Industry shall use a system of accounting which conforms to the principles of and is at least as detailed as such

system. The Code Authority shall, subject to the approval of the Administrator, determine the cost factors to be included in such system.

2. The following unfair trade practices are prohibited:

(a) The giving, permitting to be given, or directly offering to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent, or the represented party, without the knowledge of such employer, principal, or party. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

(b) The secret payment or allowances of rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or the secret extension to certain purchasers of special services or privileges not extended to all purchasers on like terms and conditions.

(c) The branding or marking of any product of the Industry in any manner which tends to deceive or mislead purchasers, with respect to the grade, quality, quantity, origin, size, material content, or preparation of such product.

(d) Selling on more liberal terms than 2% 10 days E.O.M.

ARTICLE VIII—MODIFICATION

1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time, to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically but without limitation to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

2. After due notice and hearing, this Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances; such modifications shall be based on the recommendation of the Code Authority or of any interested party or group or on the Administrator's own initiative and shall become effective on approval by the Administrator.

ARTICLE IX

When another Code shall be approved by the President covering processes or operations in which this Industry or any part thereof engages, the provisions of such Code shall supersede any provisions of this Code covering such processes or operations.

ARTICLE X—MONOPOLIES, ETC.

No provision in this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—EFFECTIVE DATE AND TERMINATION

This Code shall become effective on the 10th day after date. It shall continue in effect for a period of six (6) months after such effective date. This time may be further extended or shortened upon application of the Code Authority approved by the Administrator.

Approved Code No. 212.

Registry No. 280-1-02.

